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**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT**

STATE OF LOUISIANA

**GENERAL PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2000
WITH SUPPLEMENTAL INFORMATION SCHEDULE**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 09-13-00

**MCRIGHT & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS**

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BATON ROUGE, LOUISIANA**

**RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2000
WITH SUPPLEMENTAL INFORMATION SCHEDULES**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Levee Commissioners
of Red River, Atchafalaya and Bayou
Boeuf Levee District
State of Louisiana
Alexandria, Louisiana

We have audited the accompanying general purpose financial statements of the Red River, Atchafalaya and Bayou Boeuf District, a component unit of the State of Louisiana, as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of the Red River, Atchafalaya and Bayou Boeuf Levee District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the Louisiana Governmental Auditing Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Red River, Atchafalaya and Bayou Boeuf Levee District as of June 30, 2000, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated August 4, 2000 on our consideration of the Red River, Atchafalaya and Bayou Boeuf Levee District's internal control over financial reporting and our tests of its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The "supplementary information" listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Respectfully submitted,

McGill & Associates

August 4, 2000

RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2000

	Governmental Fund Type <u>General Fund</u>	General Fixed <u>Assets</u>	General Long <u>Term Debt</u>	Total (Memo Only)
ASSETS				
Cash & Cash Equivalents	\$2,023,465			\$2,023,465
Advances- Colfax	50,000			50,000
Inventory	21,803			21,803
Fixed Assets		\$2,454,050		2,454,050
Amt to be Provided for Retirement of Long Term Debt:			\$53,666	53,666
TOTAL ASSETS	<u>2,095,268</u>	<u>2,454,050</u>	<u>53,666</u>	<u>4,602,984</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 40,842			40,842
Compensated Absences			53,666	53,666
TOTAL LIABILITIES	<u>\$ 40,842</u>	<u>\$ -0-</u>	<u>\$ 53,666</u>	<u>\$ 94,508</u>
FUND EQUITY				
Investment in General Fixed Assets		2,454,050		2,454,050
Fund Balance:				
Inventory	21,803			21,803
Unreserved	2,032,623			2,032,623
TOTAL FUND EQUITY	<u>2,054,426</u>	<u>2,454,050</u>	<u>-0-</u>	<u>\$4,508,476</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$2,095,268</u>	<u>2,454,050</u>	<u>53,666</u>	<u>\$4,602,984</u>

The accompanying notes are an integral part of this statement

RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
COMBINED STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	GENERAL FUND <u>2000</u>
REVENUES	
Ad valorem taxes	\$1,253,213
Intergovernmental revenue - state revenue sharing	100,011
Use of money and property	130,560
Other Revenues	730
	<hr/>
Total Revenues	1,484,514
EXPENDITURES	
Personal services	741,397
Administrative and office	316,110
Supplies	69,692
Travel	4,697
Capital outlay	70,553
Professional services	17,040
Retirement	61,731
Group Insurance	165,076
	<hr/>
Total Expenses	1,446,296
Excess of Revenues over Expenditures	<u>38,218</u>
 Fund Balance - Beginning	 <u>2,016,208</u>
Fund Balance - Ending	<u><u>2,054,426</u></u>

The accompanying notes are an integral part of this statement

RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
BUDGET (GAAP) AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Ad valorem taxes	\$1,253,213	\$1,201,560	\$ 51,653
Intergov't revenue - state revenue sharing	100,011	98,700	1,311
Use of money and property	130,560	118,500	12,060
Other Revenues	730	500	230
Total Revenues	<u>1,484,514</u>	<u>1,419,260</u>	<u>65,254</u>
EXPENDITURES			
Personal services	741,397	742,010	613
Administrative and office	316,110	281,240	(34,870)
Supplies	69,692	47,000	(22,692)
Travel	4,697	4,000	(697)
Capital outlay	70,553	100,470	29,917
Professional services	17,040	17,040	
Retirement	61,731	62,000	269
Group Insurance	165,076	165,500	424
Total Expenses	<u>1,446,296</u>	<u>1,419,260</u>	<u>(27,036)</u>
Excess of Rev. over Expend.	38,218	0	38,218
Fund Balance - Beginning	<u>2,016,208</u>	<u>2,016,208</u>	
Fund Balance - Ending	<u><u>2,054,426</u></u>	<u><u>2,016,208</u></u>	<u><u>38,218</u></u>

The accompanying notes are an integral part of this statement

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

INTRODUCTION

The Red River, Atchafalaya and Bayou Boeuf Levee District was created by Louisiana Revised Statute (R.S.) 38:291(M). The levee district includes all or portions of Rapides, Avoyelles, and St. Landry parishes. The levee district primarily provides flood protection for those areas contained in the district. The governing board administers the operations and responsibilities of the levee district in accordance with Louisiana statutes. There are three board members appointed by the governor. The levee district employs two administrative personnel, a field staff of 26, and temporary employees as needed. The Louisiana Department of Transportation and Development provides certain engineering services to the levee district, and the United States Army Corp of Engineers serves as an advisory body, as well as periodically inspecting the integrity of the levee system.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and reporting standards.

2. Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The levee district is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the governor appoints the board members and public service is rendered within the state's boundaries. The accompanying general purpose financial statements present information only as to the transactions of the Red River, Atchafalaya and Bayou Boeuf Levee District, a component unit of the State of Louisiana. Annually, the

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
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STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

State of Louisiana issues general purpose financial statements, which include the activity contained in the accompanying financial statements.

3. Fund Accounting

The levee district uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The levee district has one fund (General Fund) that is classified as a governmental fund. The General Fund accounts for the levee district's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The General Fund is the general operating fund of the levee district and accounts for all financial resources.

4. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The General Fund uses the modified accrual basis of accounting and the following practices in recording revenues and expenditures:

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT**

**STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

Revenues

Ad valorem taxes and other related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

Interest income on time deposits is recorded when the time deposits have matured and the interest is available.

Substantially all other revenues are recorded when they become available.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated annual leave, which is recognized when paid.

Other Financing Sources

The proceeds from the sale of assets are accounted for as other financing sources as the underlying event occurs.

5. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year end are reported as reservation of fund balances since they do not constitute expenditures or liabilities.

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

6. Total Columns on Statements

Total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

B. BUDGET PRACTICES

The proposed budget for the year ended June 30, 2000, was made available for public inspection at the levee district's main office on June 5, 1999. The budget, which included proposed expenditures and the means of financing them for the General Fund, was published in the official journal. The budget is prepared on the modified accrual basis of accounting. All unexpended appropriations lapse at year-end. The levee District does not recognize encumbrances; therefore, encumbrances are not reflected for budgeting or accounting purposes. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. Formal budget integration (within the accounting records) is not employed as a management control device during the year. Changes or amendments within various budget classifications are made upon the approval of the board of commissioners. The budget practices of the Red River, Atchafalaya and Bayou Boeuf Levee District are subject to the provisions of R.S. 38:318.

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

1. Deposits With Financial Institutions

Cash and cash equivalents include petty cash, interest-bearing demand deposits, and time deposits. Under state law, the Red River, Atchafalaya and Bayou Boeuf Levee District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the levee district may invest in certificates of deposit of state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

At June 30, 2000, the levee district has cash and cash equivalents (book balances) totaling \$2,023,465 as follows:

Petty Cash	\$ 100
Interest-bearing demand deposits	423,365
Certificates of Deposit	<u>1,600,000</u>
Total	<u><u>\$2,023,465</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. AT June 30, 2000, the levee district has \$2,023,465 in deposits (collected bank balances). These deposits are secured from risk by \$500,000 of federal deposit insurance (GASB Risk Category 1) and \$1,750,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Risk Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the levee district that the fiscal agent has failed to pay deposited funds upon demand.

2. Investments

The district does not have any investments.

D. RECEIVABLES

At June 30, 2000, the levee district does not have any receivables.

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

E. DUE FROM/DUE TO AND TRANSFERS

On May 3, 1989, the levee district pledged to contribute \$12,500 annually for a period of six years as one of the local sponsors to the Aloha-Rigolette Area Flood Control Project (State of Louisiana Project Number 576-22-0002). The levee district contributed the first \$12,500 installment on January 16, 1991; the second \$12,500 installment on February 5, 1993; and the third and fourth installments on June 24, 1994. The levee district has not contributed the last two installments of \$12,500 each. The levee district's contributions are held by the Town of Colfax in an interest-bearing escrow account. The Town of Colfax; Grant Parish Police Jury; Rapides Parish Police Jury; Red River, Atchafalaya and Bayou Boeuf Levee District; Louisiana Department of Transportation and Development; and the United States Army Corp of Engineers are the sponsors of the project. According to United States Army Corp of Engineers, the project is underway. As of June 30, 2000, the levee district has advanced \$50,000, which is held in escrow and is recognized as an asset on the accompanying balance sheet, to the Town of Colfax on behalf of the Aloha-Rigolette Area Flood Control Project.

F. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. Buildings and equipment, which represent approximately 83 percent of total fixed assets, are valued at actual historical cost. The majority of land was conveyed to the levee district before January 1, 1980. It represents approximately 17 percent of total fixed assets and is valued at estimated fair market value at date of conveyance. Therefore, the budget is known as a nonappropriated budget.

RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1999	Additions	Deductions	Balance June 30, 2000
Land	\$ 409,015			\$ 409,015
Buildings	467,182			467,182
Equipment	<u>1,534,492</u>	<u>\$ 70,533</u>	<u>\$27,192</u>	<u>1,577,853</u>
Total	<u>\$2,410,689</u>	<u>\$ 70,533</u>	<u>\$27,192</u>	<u>\$2,454,050</u>

G. INVENTORIES

Inventories are valued at the lower of cost or market, which approximates cost. The levee district uses a periodic inventory system and values its inventory using the first-in, first-out (FIFO) valuation method. Inventories in the General Fund are recorded as expenditures at the time of purchase. Year-end balances are offset by a fund balance reserve that indicates this portion of the fund balance does not constitute available spendable resources.

H. RESTRICTED ASSETS - None

I. PAYABLES

At June 30, 2000, the board had payables totaling \$40,842.

J. PENSION PLAN

Substantially all employees of the levee district are members of the Louisiana State Employees Retirement System (System), a cost-sharing, multiple-employer public employee retirement system (PERS). The System is a statewide public retirement system, which is organized for the purpose of providing retirement and other benefits for employees of the state and its various departments and agencies and their beneficiaries, and is administered and controlled by a separate board of trustees. Contributions of participating state agencies are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

All full-time levee district employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5 percent of their highest consecutive 36-month average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. The System also provides death and disability benefits. Benefits are established by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804, or by calling (504) 922-0600.

Covered employees are required by state statute to contribute 7.5 percent of gross salary and the levee district is required to contribute at an actuarially determined rate. The current rate is 12.4 percent of annual covered payroll. The contribution requirements of plan members and the levee district are established and may be amended by state statute. As provided by R.S. 11:102, the employer contributions are determined by an actuarial valuation and are subject to change each year based on the results of the valuation form the prior fiscal year. The Red River, Atchafalaya and Bayou Boeuf Levee District contributions to the System for the years ending June 30, 2000, 1999, and 1998, were \$61,731, \$69,810, and \$74,384, respectively, equal to the required contributions for each year.

K. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

The levee district provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the levee district's employees become eligible for these benefits if they reach normal retirement age while working for the levee district. These benefits for retirees and similar benefits for active employees are provided through the Louisiana State Employees Group Benefits Program. Retirees' monthly premiums are paid jointly by the retiree and levee district. Monthly premiums for active employees are paid by the levee district. The levee district recognizes the cost of providing these benefits (levee district's portion of premiums) as an expenditure when paid

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

during the year, which was \$168,608 for the year ended June 30, 2000. The cost of providing those benefits for seven retirees was \$28,623 for the year ended June 30, 2000.

L. LEAVE

1. Compensated Absences

Employees earn and accumulate annual and sick leave at various rates, depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits.

The costs of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group. The liability for unused annual leave payable at June 30, 1998, computed in accordance with GASB Codification Section C60.105, is estimated to be \$53,666. This amount is recorded in the general long-term obligations account group.

2. Compensatory Leave

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned. Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour for hour compensatory leave. Compensation paid will be based on the employee's hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2000, computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$3,304. The leave payable is recorded within the general long-term obligations account group.

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

M. LEASE OBLIGATIONS

The Red River, Atchafalaya and Bayou Boeuf Levee District does not have any leases at June 30, 2000.

N. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 2000.

Compensated absences payable at July 1, 1999	\$53,666
Deductions	

Compensated absences payable at June 30, 2000	<u>\$53,666</u>
---	-----------------

O. LITIGATION AND CLAIMS

At June 30, 2000, the levee district is involved in three lawsuits. In the opinion of the levee district's legal counsel, the ultimate resolution of these lawsuits will not represent a material liability to the levee district.

P. RELATED PARTY TRANSACTIONS - None

Q. ACCOUNTING CHANGES - None

R. FUND DEFICITS - None

S. ENCUMBRANCES - None

T. SUBSEQUENT EVENTS - None

U. LEVEE DISTRICT TAXES

Article 6, Section 39 of the Louisiana Constitution of 1974 provides that, for the purpose of construction and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the levee district may annually levy a tax not to exceed five mills. If the levee district needs to raise additional funds in excess of the amount collected

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

constitutionally, the taxes in excess of five mills must be approved by the majority of the vote of the electors. The following is a summary of authorized and levied ad valorem taxes:

	<u>Authorized Millage</u>	<u>Levied Millage</u>
District taxes:		
Constitutional	5.00	3.62
Acreage	.25/acre	.05/acre
Rail	\$100/mile	\$60/mile

V. COMPENSATION PAID BOARD MEMBERS

The schedule of compensation paid board members was prepared in compliance with House Concurrent Resolution No, 54 of the 1979 Session of the Louisiana Legislature. Per diem payments are authorized by Louisiana Revised Statute 38:308 and are included in the personal services expenditures of the General Fund. Board members are paid \$75 per day to a maximum of 36 days per year for board meetings and/or official business. The board president may receive compensation not to exceed \$1,000 per month in lieu of per diem.

SUPPLEMENTARY INFORMATION

STATE OF LOUISIANA
RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT

BALANCE SHEET-ALL FUND TYPES AND ACCOUNT BALANCES
FOR THE YEAR ENDED JUNE 30, 2000

	GOVERNMENTAL FUND TYPES		Account Groups		
	GENERAL	SPECIAL	GENERAL	GENERAL	TOTAL
	FUND	REVENUE	FIXED	LONG-TERM	(MEMORANDUM
		FUND	ASSETS	OBLIGATIONS	ONLY)
ASSETS AND OTHER DEBITS					
Cash and cash equivalents	\$2,023,465				\$2,023,465
Investments					0
Receivables					0
Due from Other Funds	50,000				50,000
Other Assets	21,803				21,803
Fixed Assets			2,454,050		2,454,050
Amount to be Provided for Retirement Of General Long-Term Obligations				53,666	53,666
TOTAL ASSETS AND OTHER DEBITS	2,095,268	0	2,454,050	53,666	4,602,984
LIABILITIES, FUND EQUITY, AND OTHER CREDITS					
Liabilities:					
Accounts payable	40,842				40,842
Compensated Absences Payable				53,666	53,666
Due to other Funds					0
Long-Term Obligations Payable					0
Other Liabilities					0
Total Liabilities	40,842	0	0	53,666	94,508
Equity and Other Credits:					
Investment in general fixed assets			2,454,050		2,454,050
Fund Balance-reserved	21,803				21,803
Fund Balance-unreserved-Undesignated	2,032,623				2,032,623
Total Equity and Other Credits	2,054,426	0	2,454,050	0	4,508,476
TOTAL LIABILITIES, FUND EQUITY, AND OTHER CREDITS	2,095,268	0	2,454,050	53,666	4,602,984

The accompanying notes are an integral part of this statement.
Statement A

STATE OF LOUISIANA
RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENT FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2000

	<u>GENERAL</u> <u>FUND</u>	<u>SPECIAL</u> <u>REVENUE</u> <u>FUND</u>	<u>TOTAL</u> <u>(MEMO</u> <u>ONLY)</u>
REVENUES:			
Use of money and Property	130,560		130,560
Intergovernmental Funds	100,011		100,011
Ad valorem taxes	1,253,213		1,253,213
Sales of Commodities and Service			0
Other	730		730
	-----	-----	-----
Total Revenues	1,484,514	0	1,484,514
	-----	-----	-----
EXPENDITURES			
Other	1,446,296		1,446,296
Intergovernmental			0
	-----	-----	-----
Total Expenditures	1,446,296	0	1,446,296
	-----	-----	-----
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	38,218	0	38,218
OTHER FINANCING SOURCES (Uses)			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	38,218	0	38,218
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	2,016,208		2,016,208
	-----	-----	-----
FUND BALANCE (DEFICIT) AT END OF YEAR	2,054,426	0	2,054,426
	=====	=====	=====

The accompanying notes are an integral part of this statement.
statement B

STATE OF LOUISIANA
RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP/NON-GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2000

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVOR)</u>
REVENUES:			
Use of Money and Property	118,500	130,560	12,060
Intergovernmental Revenues	98,700	100,011	1,311
Advalorem taxes	1,201,560	1,253,213	51,653
Sales of Commodities and Service	0	0	0
Other	500	730	230
	-----	-----	-----
Total Revenues	1,419,260	1,484,514	65,254
	-----	-----	-----
EXPENDITURES:			
Personal Services	969,510	968,204	1,306
Travel	4,000	4,697	(697)
Operating Services	281,240	316,110	(34,870)
Supplies	47,000	69,692	(22,692)
Professional Services	17,040	17,040	0
Other Charges	0	0	0
Capital Outlay	100,470	70,553	29,917
Interagency Transfers	0	0	0
Debt Service			
	-----	-----	-----
Total expenditures	1,419,260	1,446,296	(27,036)
	-----	-----	-----
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	0	38,218	38,218
OTHER FINANCING SOURCES (USES):			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	38,218	38,218
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	2,016,208	2,016,208	0
	-----	-----	-----
FUND BALANCE (DEFICIT) AT END OF YEAR	2,016,208	2,054,426	38,218
	=====	=====	=====

The accompanying notes are an integral part of this statement
STATEMENT C

STATE OF LOUISIANA
RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
FOR THE YEAR ENDED JUNE 30, 2000

NAME	<u>AMOUNT</u>
Andrew Leon	\$2,700
Jessie Lachney	12,000
Jerry Slocum	2,700

TOTAL	17,400
	=====

SCHEDULE 1

STATE OF LOUISIANA
RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT
SCHEDULE OF EXPENDITURES BY OBJECT
FOR THE YEAR ENDED JUNE 30, 2000

	<u>AMOUNT</u>
EXPENDITURES:	
Personal services	\$968,204
Travel	4,697
Operating services	316,110
Supplies	69,692
Professional services	17,040
Other charges	0
Capital outlay	70,553
Interagency transfers	0
Debt service	0

Total	1,446,296
	=====

SCHEDULE 2

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

The following pages contain reports on internal control structure and compliance with laws and regulations required by Government Auditing Standards, issued by the Comptroller General of the United States. The report on internal control structure is based solely on the audit of the financial statements and includes, where appropriate, any reportable conditions and/or material weaknesses. The report on compliance with laws and regulations is, likewise, based solely on the audit of the presented financial statements and presents, where applicable, compliance matters that would be material to the presented financial statements.

McRight & Associates

Certified Public Accountants
11817 Bricksome Ave., Suite E
Baton Rouge, Louisiana 70816

Jeanette R. McRight, CPA, MBA
L. Dalton McRight, CPA, MBA
(225) 292-2041 Fax (225) 292-2048

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

BOARD OF LEVEE COMMISSIONERS
OF RED RIVER, ATCHAFALAYA AND
BAYOU BOEUF LEVEE DISTRICT
STATE OF LOUISIANA
ALEXANDRIA, LOUISIANA

We have audited the general purpose financial statements of Red River, Atchafalaya and Bayou Boeuf Levee District Alexandria, Louisiana, as of and for the year ended June 30, 2000, and have issued our report thereon dated August 4, 2000. We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Red River, Atchafalaya and Bayou Boeuf Levee District general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as Finding 99-1.

Internal Control Over Financial Reporting

In planning and performing our audit of the general purpose financial statements of Red River, Atchafalaya and Bayou Boeuf Levee District, Alexandria, Louisiana, for the year ended June 30, 2000, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the

internal control structure. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be a material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting audits operation that we consider to be material weakness.

This report is intended for the information of the board of commissioners, management, and Legislative Auditor's Office. However, this report is a matter of public record, and its distribution is not limited.

McRight & Associates

August 4, 2000

RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
SCHEDULE OF INTERNAL CONTROL STRUCTURE REPORTABLE CONDITIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2000

We have audited the financial statements of the Red River, Atchafalaya and Bayou Boeuf Levee District as of and for the year ended June 30, 2000, and have issued our report thereon dated August 4, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Controller General of the United States. Our audit of the financial statements as of August 4, 2000, resulted in an unqualified opinion.

SECTION I SUMMARY OF AUDITOR'S REPORT

**REPORT ON INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

Internal Control

Material Weaknesses - N/A Reportable Conditions - N/A

Compliance

Compliance Material to Financial Statements - NO

**FINDING NUMBER 99-1 - THE BOARD HAD AN EMPLOYEE ON THE
PAYROLL IN A TEMPORARY POSITION, THAT
HAD NOT BEEN APPROVED SINCE 1997.**

CONDITION: Civil Service requires that all positions have prior approval before employees are paid.

CRITERIA: For the year ended June 30, 2000, the board paid an employee in a temporary position that had not been approved by civil service since 1997.

EFFECT: Public funds were expended in violation of state law.

CAUSE: The temporary position was not approved by civil service since 1997 due to the change in personnel and the improper training of the new personnel. The temporary position was not given to civil service since 1997 for approval.

RECOMMENDATION: The board should immediately request the temporary position be approved for the employee by the civil service and each year a check list should be made by the personnel to ask for the approval.

**OFFICE OF
BOARD OF COMMISSIONERS
RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE DISTRICT**

10 CALVERT DRIVE
P. O. BOX 8235
ALEXANDRIA, LOUISIANA 71306
TELEPHONE (318) 443-9646
FAX (318) 443-9650

RESOLUTION #8

On Motion by Jessie Lachney
Seconded by J. W. Slocum

WHEREAS, the Board of Commissioners of the Red River, Atchafalaya, and Bayou Boeuf Levee District continue to need a temporary land and timber consultant in the management of its properties and for counsel and advice with respect to same; and,

WHEREAS, pursuant to that need, Herbert Thomasson of Melville, Louisiana, was first employed by the Red River, Atchafalaya, and Bayou Boeuf Levee Board on June 1, 1992 at a salary of \$200.00 per month maximum; and,

WHEREAS, that position was designated as Secretary to the Board of Commissioners; and,

WHEREAS, said position was subsequently changed to temporary land and timber consultant to the Board pursuant to actions of the Board as represented by a letter of August 23, 1994 that was ratified by Herbert L. Sumrall, Director of the Department of Civil Service for the State of Louisiana, by letter of August 29, 1994; and,

WHEREAS, the position of temporary land and timber consultant was again renewed on May 1, 1995 at the same rate of pay with the same duties as previously referred to hereinabove; and,

WHEREAS, said temporary employment continued from year to year thereafter for the same reasons as stated hereinabove but at a salary of \$25.00 per hour not to exceed \$500.00 total salary per month as reflected by a resolution of January 14, 1998; and,

WHEREAS, the position of temporary land and timber consultant held by Herbert Thomasson has continued from 1994 through date, uninterrupted, and at \$25.00 per hour on an as-needed basis not to exceed \$500.00 per month; and,

WHEREAS, Red River, Atchafalaya, and Bayou Boeuf Levee District has been informed that it needs to renew the agreement with Herbert Thomasson as a temporary land and timber consultant on a yearly basis at the fiscal year, which is July 1, of each and every year; and,

AN EQUAL OPPORTUNITY EMPLOYER

WHEREAS, Red River, Atchafalaya, and Bayou Boeuf Levee District by resolution herein has renewed once again the position of temporary land and timber consultant for Herbert Thomasson as stated heretofore at the rate of \$25.00 per hour, not to exceed \$500.00 per month; now,

THEREFORE BE IT RESOLVED that the Board of Commissioners of the Red River, Atchafalaya, and Bayou Boeuf Levee District acting pursuant to law in legal session assembled this 2nd day of August 2000 agrees that Herbert Thomasson be and he is hereby retained to represent the Red River, Atchafalaya, and Bayou Boeuf Levee District as a temporary land and timber consultant on an hourly basis at the rate of \$25.00 per hour plus expenses, not to exceed \$500.00 per month, on an as-needed basis, retroactive to the 1st day of July 2000.

CERTIFICATE

I, Rita D. Maloney, Secretary of the Board of Commissioners of the Red River, Atchafalaya, and Bayou Boeuf Levee District, certify that the foregoing is a true and correct copy of the original resolutions adopted by said Board at the meeting duly convened on the 2nd day of August 2000, at which meeting a quorum of members of said Board was represented.

IN TESTIMONY WHEREOF, witness my official signature and seal of said Board at Alexandria, Louisiana, on this 2nd day of August 2000.



SECRETARY

**RED RIVER, ATCHAFALAYA AND BAYOU BOEUF LEVEE
DISTRICT
STATE OF LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL
YEAR ENDED JUNE 30, 2000**

The Board's corrective action plan for the findings in the prior audit all have been implemented during the current audit period.

Finding 1 - Lack of documentation for payment of cellphone bill for payroll clerk.

The Board has established procedures for controlling the use of cell phones.

Finding 2 - Student employee paid for holiday.

The Board has established procedures to insure that payroll is properly calculated.